

MICHIGAN DEPARTMENT OF CORRECTIONS POLICY DIRECTIVE SUBJECT PAROLE LOANS	EFFECTIVE DATE 04/01/2000	NUMBER 06.02.120
	SUPERSEDES 06.02.120 (12/01/81)	
	AUTHORITY MCL 791.237	
	ACA STANDARDS 2-3172	
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POLICY STATEMENT:

A parolee without sufficient funds may be granted a parole loan for room and board for up to a two-week period after parole release, as determined by the Deputy Director, Field Operations Administration (FOA).

POLICY:

- A. The field agent conducting a preparole investigation shall review the prisoner's personal, family and community resources to determine whether the prisoner has resources available to sustain himself/herself for at least two weeks. If the field agent determines that the prisoner has inadequate resources available, the agent shall recommend that a parole loan be provided. Only the minimum amount needed to sustain the prisoner on parole for up to two weeks shall be recommended.
- B. The FOA Deputy Director or designee shall review each loan recommendation and determine whether the loan should be approved and, if so, the amount of the loan. If the loan is approved, the amount approved and the payee(s) (e.g., prisoner, landlord) shall be recorded on the Parole Board Order for Parole (CAX-119).
- C. If the prisoner is paroling from a Correctional Facilities Administration (CFA) facility, the institutional business office shall issue a warrant for the amount of the parole loan as indicated on the Parole Board Order for Parole, except that the approved loan amount shall be reduced by the spendable balance in the prisoner's institutional account at the time the loan is processed. Institutional staff shall require the prisoner to sign a Prisoner Loan Agreement form (CSJ-159) prior to receiving the warrant. A copy of the signed form, with the amount of the loan noted, shall be forwarded by institutional staff to the Finance Division of the Bureau of Fiscal Management (BFM).
- D. If the prisoner is paroling from Community Residential Programs (CRP) or the Special Alternative Incarceration Program facility (SAI), or a paroled prisoner is being released from a Technical Rule Violation center (TRV), the FOA Deputy Director or designee shall notify the BFM Finance Division Manager or designee of the approved loan amount and the payee(s). Finance Division staff shall issue a warrant for the amount of the parole loan, except that the amount of the loan to a paroled prisoner being released from a TRV shall be reduced by the spendable balance in the prisoner's facility account at the time the loan is processed. If the prisoner has already paroled or been released from the TRV, it shall be sent to the paroled prisoner's field agent. The prisoner shall be required to sign a prisoner loan agreement form prior to receiving the warrant.
- E. The warrant for the amount of the parole loan shall be given to the prisoner at the time s/he is released on parole or, if released on parole before receipt of the warrant, as soon as possible after release, unless the loan is no longer needed. If the loan is no longer needed, the uncashed warrant shall be sent to the BFM Finance Division.
- F. The paroled prisoner shall be required to repay the parole loan within 180 days after receipt of the warrant. The field agent shall discuss the need to repay the loan with the paroled prisoner at each in-person contact required by PD 06.04.130 "Supervision Standards for Parole and Probation", until the loan is paid in full. The field agent shall document each discussion in the case notes. All parole loan payments shall be sent to the BFM Finance Division.

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- G. The Finance Division shall maintain a record information system on all warrants issued pursuant to Paragraphs C and D, on all uncashed warrants received pursuant to Paragraph E, and on all parole loan payments received pursuant to Paragraph F.
- H. If the parolee is returned to a CFA facility either as a parole violator or with a new conviction before the loan is paid in full, the BFM Finance Division Manager or designee shall notify the appropriate institutional business office of the parole loan balance. Institutional business office staff shall enter the parole loan balance into the Department's prisoner accounting system as an institutional debt and shall forward to the Finance Division any funds removed from the prisoner's account to pay the balance. Funds shall be removed in accordance with PD 04.02.105 "Prisoner Funds and Prisoner Organization Accounts".
- I. If a parolee discharges or absconds supervision with a parole loan balance, the BFM Finance Division Manager or designee shall report the balance to the Michigan Department of Treasury.

OPERATING PROCEDURES

- J. CFA Regional Prison Administrators shall ensure that within 60 days of its effective date procedures necessary to implement this policy directive are developed.

AUDIT ELEMENTS

- K. A Primary Audit Elements List has been developed and will be provided to the FOA Deputy Director, the BFM Finance Division Manager, FOA Regional Administrators, the SAI Administrator, and wardens to assist with self audit of this policy pursuant to PD 01.05.100 "Self Audit of Policies and Procedures".

BM:OPH:03/03/00